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DOL FOR BLS AND ILAB
TREASURY FOR IMI
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SUBJECT: EU UNEMPLOYMENT DOWN TO 6.8 PERCENT; EURO ZONE RATE
UNCHANGED AT 7.2 PERCENT

¶1. SUMMARY. The aggregate unemployment rate for the EU-27 was down to 6.8 percent in December 2007, according to data published by the EU Commission's Statistical Office (EUROSTAT) on January 31. Unemployment in the euro zone (the thirteen EU countries participating in the euro - based on membership in December 2007) was stable at 7.2 percent. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate in the EU-27 stood at 6.8 percent in December 2007, down from 6.9 percent the previous month and from 7.6 percent in December 2006. The unemployment rate for the euro zone stood at 7.2 percent in December 2007, unchanged from November 2007 and down from 7.8 percent in December 2006.

¶3. The lowest rates compiled by EUROSTAT from the EU-27 for December 2007 were recorded in the Netherlands (2.9 percent) and Denmark (3.1 percent). The highest rates were recorded in Slovakia (10.8 percent) and Spain (8.6 percent).

¶4. EUROSTAT noted that twenty-four countries among the EU-27 recorded a decrease in their unemployment rate over a year and three an increase. The most significant decreases (December-to-December comparison) occurred in Poland (from 11.8 percent to 8.1 percent) and Bulgaria (from 8.2 percent to 5.8 percent). The rises were recorded in Spain (from 8.2 percent to 8.6 percent), Portugal (from 7.9 percent to 8.2 percent) and Ireland (from 4.4 percent to 4.5 percent).

¶5. Based on EUROSTAT estimates, male unemployment reached 6.4 percent in December 2007 for the EU-27 and 6.5 percent for the euro zone, down by 0.6 percentage point and 0.4 percentage point respectively when compared to December 2006. The female rate over the same period decreased to 7.3 percent for the EU-27 and to 8.0 percent for the euro zone, minus 1.1 percentage point and minus 0.9 percent respectively over the twelve-month period.

¶6. Unemployment rates among young people under 25 (December 2007 estimates, unless otherwise noted) ranged from 5.1 percent in the Netherlands and 7.9 percent in Slovenia (fourth quarter of 2007) to 22.6 percent in Greece (third quarter of 2007) and 21.6 percent in Romania. The rate for this age group in December 2007 was estimated at 14.8 percent for the EU-27 and 14.3 percent for the euro zone, compared to 16.3 percent (minus 1.5 percentage point) and 15.6 percent (minus 1.3 percentage point) respectively in December 2006.

¶7. EUROSTAT estimated that 16.2 million were unemployed in the EU-27 in December 2007 (11.0 million in the euro zone). Following is the breakdown of unemployment rates in

ascending order for the individual EU member states:

(Seasonally-adjusted)
(December 2007 unless otherwise indicated)

Netherlands	2.9
Denmark	3.1
Cyprus	3.9
Lithuania	3.9
Austria	4.3
Slovenia	4.3
Ireland	4.5
Czech Republic	4.7
Luxembourg	4.8
UK	5.2 (October 2007)
Estonia	5.3
Latvia	5.4
Sweden	5.6 (provisional)
Bulgaria	5.8
Malta	5.8
Italy	6.0 (third quarter 2007)
Finland	6.6
Romania	7.0
Belgium	7.2
Hungary	7.3
Germany	7.8
France	7.8
Poland	8.1
Greece	8.2 (third quarter 2007)
Portugal	8.2
Spain	8.6
Slovakia	10.8
Euro zone	7.2
EU-27	6.8

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¶8. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

MURRAY